

JACKRABBIT ROAD PUBLIC UTILITY DISTRICT
Minutes of Board of Directors Meeting
December 13, 2022

The Board of Directors (the "Board") of Jackrabbit Road Public Utility District (the "District") met in regular session, open to the public on December 13, 2022, at 16720 Pine Forest Lane, Houston, Texas, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

Charles L. Falknor, President
Ross L. Bell, Vice-President
Michael Goings, Secretary
Michael Kopecky, Assistant Secretary
James Horn, Assistant Secretary

all of whom participated in the meeting, except Director Kopecky, thus constituting a quorum.

Also attending the meeting were: Mirna Bonilla-Odums of Inframark, LLC ("Inframark"); Miranda Burks of Wheeler & Associates, Inc. ("Wheeler"); Yaneth Castillo of Municipal Accounts & Consulting, L.P. ("MAC"); Erik Miller of Sander Engineering Corporation ("SEC"); and Rick Barker of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. There being no comments offered, the Board continued to the next item of business.

MINUTES

As the next order of business, the Board considered approval of the draft minutes of the November 8, 2022, Board meeting. After review and discussion of the draft minutes presented, it was moved by Director Goings, seconded by Director Horn, and unanimously carried that the said minutes be approved as written.

BOOKKEEPER'S REPORT

Ms. Castillo presented to and reviewed with the Board the Bookkeeper's Report, dated December 13, 2022, a copy of which is attached hereto as **Exhibit A**. After discussion, it was moved by Director Goings, seconded by Director Horn, and unanimously carried that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein, except for check number 15535 payable to Director Kopecky, which was voided.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Burks presented to and reviewed with the Board the Tax Assessor-Collector Report dated November 30, 2022, a copy of which is attached hereto as **Exhibit B**. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the Board approve the Tax Assessor-Collector Report and authorize payment of the disbursements identified therein.

DELINQUENT TAX REPORT

The Board considered the Delinquent Tax Report received from the District's delinquent tax collections attorney, Ted A. Cox, P.C, dated December 6, 2022, a copy of which is attached hereto as **Exhibit C**. Mr. Barker noted that there was no action required by the Board at this time with respect to any of the delinquent tax accounts listed in the report.

SALES AND USE TAX ADMINISTRATION REPORT

In connection with collection of sales tax revenue funds received by the District pursuant to the Strategic Partnership Agreement between the District and the City of Houston, Mr. Barker presented to and reviewed the Sales and Use Tax Administration Report dated November 2022, a copy of which is attached hereto as **Exhibit D**. It was noted that no action was required by the Board relative to this report.

ENGINEER'S REPORT

Mr. Miller presented to and reviewed with the Board a written Engineer's Report prepared by SEC dated December 13, 2022, a copy of which is attached hereto as **Exhibit E**.

Mr. Miller next reported that Magna Flow Environmental has completed the cleaning of six aeration basins at the Waste Water Treatment Plant. He noted that the seven remaining basins will be cleaned using the traditional bypass method, as instructed by the Board at the November Board meeting, in a future project. Mr. Barker noted that there was no action required by the Board at this time with respect to the this matter.

Mr. Miller then requested the payment of Pay Estimate No. 5 in the amount of \$27,972.00 payable to C3 Constructors for work completed on the WWTP Flood Wall System Project, a copy of which is included with **Exhibit E**. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried to approve the payment of Pay Estimate No. 5 as discussed.

UTILITY COMMITMENT

Messrs. Barker and Miller noted that there were no requests for utility commitments this month.

Ms. Burks exited the meeting at this time.

OPERATOR'S REPORT

Ms. Bonilla-Odums presented to and reviewed with the Board the Operator's Report for the month of November 2022, a copy of which is attached hereto as **Exhibit F**.

Ms. Bonilla-Odums next requested authorization from the Board for Inframark to: (i) defer utility service disconnections until January 3, 2023, due to the fact that the District's regular termination date is so close to the holidays; (ii) transfer four (4) delinquent utility accounts, totaling \$565.75, to Collections Unlimited for collections; and (iii) write off three (3) uncollectible utility accounts, totaling \$20.56. After discussion on the matter, Director Horn moved to authorize Inframark to defer disconnections, and to transfer and write off the accounts as requested. Director Bell seconded said motion, which unanimously carried.

Ms. Bonilla-Odums reminded the Board that, at its last meeting, she reviewed the results of the recent Fire Hydrant Survey performed by Inframark, and the Board authorized Inframark to replace ten hydrants within the District. She noted that, pursuant to the survey, certain other hydrants were in need of repair, and presented a list of the repairs recommended by Inframark. After discussion, Director Horn moved that Inframark be authorized to perform the repairs, as recommended. Director Bell seconded said motion, which unanimously carried.

Ms. Bonilla-Odums requested the Board to include a water/sanitary sewer rate analysis to the January agenda. After discussion, the Board concurred to add the matter to the next agenda.

IMPLEMENTATION OF PUBLIC UTILITY COMMISSION OF TEXAS RULES RELATING TO SENATE BILL 3

Mr. Barker presented to and reviewed with the Board a Memorandum prepared by SPH detailing the Public Utility Commission of Texas' (the "PUC") publication of 16 TAC, Sections 24.173 and 24.364 relating to the implementation of Senate Bill 3 ("S.B. 3"). A copy of the Memorandum is attached hereto as **Exhibit G**. The Board was informed that a notice containing certain required information must be provided to each of the District's retail water or sewer customers prior to January 31, 2023. After discussion, Director Goings, moved to approve the required notice language prepared by SPH and to authorize Inframark to include the approved notice as an insert into the District's next utility bill. Director Falknor seconded the motion, which carried unanimously.

AMENDMENT TO RATE ORDER

Mr. Barker next presented to and reviewed with the Board an amended Rate Order. He advised that this Rate Order would allow sixty (60) days to refund deposits to customers and would address changes in the law resulting from the PUC's implementation of S.B. 3. Following discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the Rate Order be amended, a copy of the executed Rate Order is attached hereto as **Exhibit H**.

AMENDMENT TO RATE ORDER

Mr. Barker presented to the Board a notice from the West Harris County Regional Water Authority (the "WHCRWA") regarding an increase in the fees it charges to the District from \$4.10 to \$4.35 to be effective January 1, 2023, a copy of which is attached hereto as **Exhibit I**.

The Board considered the adoption of an amendment to the District's Rate Order to incorporate such fee increase. After discussion, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the District's Rate Order be amended to increase the WHCRWA Groundwater Reduction Plan fee set forth therein from \$4.30 to \$4.56 per 1,000 gallons, that the attached Rate Order be passed and adopted to be effective January 1, 2023, and that all Rate Orders heretofore adopted by the Board be revoked. A copy of the amended Rate Order is included in **Exhibit H**.

APPROVAL OF ELECTRONIC LOCKBOX PAYMENT SERVICES

The Board deferred a status report on Inframark's Electronic Lock Box payment program transfer from its internal billing software company to Central Bank at this time.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Barker reported that the WHCRWA has scheduled a Board meeting on November 9, 2022. A copy of the meeting notice is attached hereto as **Exhibit J**.

SECURITY PATROL REPORT

The Board considered the Security Patrol Report. In connection therewith, Director Bell discussed with the Board the recent security related activities in the District.

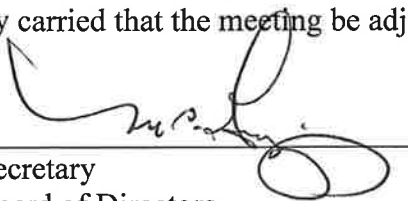
MATTERS FOR PLACEMENT ON FUTURE AGENDAS

The Board next considered matters to be placed on future agendas and noted that there were no additional items other than the items set forth hereinabove.

ADJOURNMENT OF MEETING

There being no further business to come before the Board, it was moved by Director Falknor, seconded by Director Goings, and unanimously carried that the meeting be adjourned.




Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor-Collector Report
- Exhibit C Delinquent Tax Report
- Exhibit D Sales and Use Tax Administration Report for November 2022
- Exhibit E Engineer's Report
- Exhibit F Operator's Report
- Exhibit G Board Memorandum
- Exhibit H Rate Order
- Exhibit I West Harris County Regional Water Authority's Notice of Fee Increase
- Exhibit J Notice of WHCRWA Meeting